

IS AMERICA TO ABANDON ITS MORAL PRINCIPLES ?

The Answer Rests with the United States Senate

A Statement By

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The Metropolitan Water District of Southern California

**Made Before the Foreign Relations Committee of the United States Senate on
February 8, 1945, in Protesting Ratification of the Proposed Mexican Water Treaty**

Gentlemen:

My distinguished associates, in opposing the ratification of the proposed Mexican treaty, are presenting to you the legal rights upon which our case is firmly based. They are pointing out the vast economic losses to the United States as a whole which will result from robbing the Southwestern States of water required for their defense activities and post-war development in order that Mexico may grow more cotton.

Facts Presented

The Metropolitan Water District of Southern California, of which I have had the honor of being Chairman since its organization in 1928, is presenting more of these facts through our General Counsel and engineering staff. In the brief time allotted me, I would like to point out one fundamental American principle involved in this treaty which might easily escape the notice of those whose time allows only a casual examination of this vital issue.

Because I know you are as much interested in the human factors involved as in the technical facts, let me sketch briefly the part played by the Metropolitan Water District, which comprises fourteen cities of Southern California, and which, with adjacent areas, have three and one-half million inhabitants.

U. S. Demanded Repayment

When Boulder Dam was a blueprint in Washington, the Government refused to appropriate the \$125,000,000 for its construction until assured that the cost of the dam, plus interest on the Government money advanced, would be repaid through the sale of power and water made available by the dam. The Government demanded that this repayment be guaranteed by firm contracts. The Metropolitan Water District of Southern California joined with other public and private agencies in California and entered into such contracts with the Government, and these communities thus bound themselves to pay for suf-

ficient Boulder Dam hydro-power to satisfy the Government demands.

The Metropolitan Water District, as a matter of fact, bound itself by firm contracts to pay for about 36 per cent of the firm power available at Boulder Dam—and the District agreed to pay for this large amount of hydro-power regardless of whether it actually needed or used the power. Thus the construction of Boulder Dam was brought about and made possible.

Citizens Acted in Good Faith

With construction of the dam thus assured, the people of the California cities which comprise the Metropolitan Water District went forward with plans to finance and build the Colorado River Aqueduct. In September 1931, the people of these District cities authorized by a majority of five to one a bond issue of \$220,000,000 to finance the initial cost of the giant aqueduct system. These bonds are a first mortgage on all of the real assets of the people in the District cities. This heavy obligation was assumed in order to finance the building of an aqueduct 400 miles in length—an aqueduct which now is carrying water across mountains and desert wastes to supply the ever increasing needs of agriculture, industry, homes, and military installations on the semiarid coastal plain of Southern California.

Huge Job Accomplished

The job of building the Colorado River Aqueduct included the building of five huge pumping plants required to raise the water a total of 1600 feet before it can flow by gravity into a terminal reservoir and be ready for distribution to the industries, defense establishments and homes situated within the territory of the Metropolitan Water District. To operate the aqueduct pumping plants the District required electric power, and it was for this power that the District bound itself to pay for up to 36% of the total firm output from Boulder Dam. The District did not re-

quire any such large amount of power in its early days of operation, and still does not require any such quantity of power; but it nevertheless assured the building of Boulder Dam by contracting to pay for this power whether used or not.

People Have Not Faltered

In meeting this heavy obligation our people have never faltered. We had made that kind of contract with the United States in order to bring about the building of Boulder Dam. We had absolute confidence in the good faith of our Government to fulfill its end of the contracts, and we were willing to wait and to continue paying this high premium for insurance for our future protection.

War Efforts Advanced

Our first reward has been the great satisfaction of having this great surplus of electric power ready and waiting to serve and activate the giant war industries and military installations which became so vitally essential in Southern California when the massacre at Pearl Harbor plunged this country into war.

A Costly Guarantee

Our people have paid dearly for the guarantee we made to our Government in Washington to assure the repayment of the cost of Boulder Dam, but we will never regret the price we are paying if our Government honestly fulfills its end of the contract to make available to our people the Colorado River water essential to our region in the years ahead.

I have spoken of the heavy obligation that has been assumed by the communities within our Metropolitan Water District to bring about the construction of Boulder Dam. Please allow me to speak briefly regarding the financing of the Colorado River Aqueduct.

Government Has Made a Profit

To finance the initial construction of the aqueduct, as I have stated, our people voted in 1931 to assume the heavy financial obligation of bonds in the amount of \$220,000,000. Approximately \$180,000,000 of these bonds were sold to the Reconstruction Finance Corporation at an initial interest rate of 5 per cent, later reduced to an average of about 4 per cent. These bonds have long since been sold by the R.F.C. on the public market at premiums which returned to the Government a net profit estimated to exceed \$13,000,000. Thus, it can plainly be seen that the Colorado River Aqueduct has not been benefited by one dollar of Federal aid, but on the contrary has contributed heavily to the financial benefit of our Government's treasury.

Full Burden Accepted

Once more, permit me to state that our people do not regret their decision to assume the tremendous

aqueduct bond obligation. It was essential that this obligation be assumed if the vitally strategic area on the South Coastal Plain of California is to go forward with an orderly and necessary program of development. Our people were ready and willing to take up the full burden of this obligation because they had utter faith in the sanctity and dependability of their Colorado River water contracts with the United States Government, contracts made pursuant to the terms and provisions of the Boulder Canyon Project Act which was adopted by Congress in 1928.

Insofar as the members of the Board of Directors were concerned, let me say that not one of them ever questioned the validity of our water contracts with the Government. It never occurred to any one of us that the time would come when our Government would not keep faith with its own people in the complete fulfillment of its pledged word to make the water available as required.

Imperative Need Recognized

Realizing the imperative need of our region for the Colorado River water, we enthusiastically advocated the approval of the aqueduct bond issue by our people, and they, in turn, as I have previously noted, authorized this bond issue by the decisive majority of five to one.

Incidentally, allow me to point out, that no member of the Board of Directors of the Metropolitan Water District has ever received one dollar of remuneration for his time and services on that Board. It has been a civic enterprise of the highest order in which we have been proud as citizens of the United States to participate.

Completed at Right Time

The construction of the aqueduct was started in 1932, in the trough of the depression, when we were able to choose from the eminent engineers of the United States those best qualified to do this unprecedented job. And those engineers, in turn, were able to secure efficient assistants and provide jobs for 38,000 men at the highest wages of that day and under the best of working conditions.

The aqueduct was completed in June 1941—five months before Pearl Harbor. The citizens of the District are proud of this great engineering achievement—not only because it provides life-giving water, which is the prime necessity for the future development of farms and homes for our successors and for returning veterans in some of the most fertile valleys on God's earth—but because it has made possible the water and power for the gigantic defense plants which are producing planes and ships by the tens of thousands, and other implements of war—the prime necessity of the United States and our Allied Nations today.

A Permanent Necessity

I am quite sure, Mr. Chairman, that you and the other distinguished members of your committee will agree when I remind you that the end of this war will not eliminate the continuing need for naval and military installations and for the continuing operation of heavy industrial plants on the Pacific Coast. We have learned, belatedly, that the oceans no longer are effective barriers against aggressor nations. And, until some world organization far more tangible than any now in operation has been tried and proven, the United States in common prudence must maintain an adequate and ever ready Pacific Coast defense. Southern California is today and must surely remain a strategic area in this general zone of our Pacific defense.

The Last Water Hole

The Colorado River is the "last water hole" for Southern California. The proposed treaty, in giving to landowners in Mexico the Colorado River water which is vitally essential in the maintenance of an adequate defense in this area, I respectfully submit, reveals a shocking lack of foresight in a Nation which ought to have learned some bitter lessons since December 7, 1941.

No Faintness of Heart

President Roosevelt, in his inaugural address, said—"We may make mistakes. But they must never be mistakes which result from faintness of heart or abandonment of moral principle." It would be easy to make the mistake of ratifying this treaty, unless it were thoroughly studied against a background of all the facts. Such an examination brings out the moral issue to which I would direct your attention.

The Metropolitan Water District of Southern California and other agencies here represented had no "faintness of heart" when they took upon themselves the building of Boulder Dam, the Colorado River Aqueduct, the All American Canal, and mortgaged their homes and farms and their children's homes to pay for them. I ask you if it would not be an "abandonment of moral principle" to break faith with such courageous citizenship?

Lives and Fortunes Sacrificed

The United States today is writing, with the blood of our sons and grandsons, across the broad expanse of the Pacific and on the battlefields of Europe, its belief in the principles of freedom, equality and justice for which American patriots of former generations sacrificed their lives and fortunes.

Not only for ourselves do we defend these principles, but for all mankind, and we hold the dream

of a world order in which such ideals may ultimately be secured.

In these days of planning for world peace, does it not become our first responsibility to see that justice is administered at home, among the states of our own Union? For any sort of lasting peace must be founded on honor and integrity.

Moral Principles Abandoned

The injustice of giving to Mexico more water than that to which she is entitled—in open breach of contracts by the United States with its own citizens after they have in good faith conserved and planned the use of such waters for the benefit of our nation as a whole—is nothing short of an abandonment of moral principle.

Injustice more than any single evil, eats at the heart of mankind, and is the hardest to forget or forgive.

The United States is striving to build good will and friendship throughout the world. But real friendship is not made by the giving of material things. It is made by being the kind of individual or nation a neighbor can absolutely trust and depend upon. Good will can never be established by the expediency of injustice—even if the injustice is practiced "within the family."

Domestic Honor Comes First

Foreign relations, I humbly submit, cannot be any better than the domestic policies on which they are founded. And no treaty is any better than the honor of the countries signing it.

You recall it was Germany that called written agreements "scraps of paper." We see the results today. When any nation, without due process of law, makes "scraps of paper" out of its own contracts it has taken a long step on the road to chaos.

Such abandonment of principle is hard to justify in the United States today—while our boys are dying to reestablish the principles of justice and humanity, essential to any civilized order.

Looking to the Future

For the crucial years ahead, when we shall be sacrificing ever more and more in the name of Democracy, Justice and Humanity, calling for the perfect unity and teamwork of every state in the Union, we can ill afford to plant the seeds of animosity between the States of California and Texas. And we should so guard the principle of Justice in our domestic and foreign policies that when we gather one day around a conference table with Mexico and our other good neighbors, to talk to and with them about a just and lasting peace for all the world, they may have no cause to mistrust our sincerity.



Intake Pumping Plant (above) and Lake Mathews on the Colorado River Aqueduct

Visible Evidence of a People's Faith in Their Government

W.H.T.B.R. 0117 (1023)